UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

GRAND VALLEY GAS COMPANY) FE DOCKET NO. 93-112-NG

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 869

OCTOBER 28, 1993

I. DESCRIPTION OF REQUEST

On October 19, 1993, Grand Valley Gas Company (Grand Valley) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),1/ and DOE Delegation Order Nos. 0204-111 and

0204-127, requesting blanket authorization to import up to 75 billion cubic feet of natural gas from Canada over a two-year term beginning on the date of first import after October 31, 1993.2/ Grand Valley is a Utah corporation and has its

principal place of business in Salt Lake City, Utah. The volumes will be imported by Grand Valley under spot and short-term sales arrangements, either on its own behalf or as an agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Grand Valley has been evaluated to determine if the proposed import arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), an import of natural gas from a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without

^{1/ 15} U.S.C. □ 717b.

^{2/} This is the expiration date of Grand Valley's existing blanket authorization granted by DOE/FE Opinion and Order No. 529, dated September 9, 1991 (1 FE \square 70,477).

modification or delay. The authorization sought by Grand Valley to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

- A. Grand Valley Gas Company (Grand Valley) is authorized to import up to 75 billion cubic feet of natural gas from Canada, at any point on the United States/Canada border, over a two-year term beginning on the date of the first import after October 31, 1993.
- B. Within two weeks after deliveries begin, Grand Valley shall provide written notification to the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first import of natural gas authorized in Ordering Paragraph A above occurred.
- C. With respect to the natural gas imports authorized by this Order, Grand Valley shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a

report of "no activity" for that calendar quarter must be filed.

If imports have occurred, Grand Valley must report total monthly volumes in Mcf and the average purchase price per MMBtu at the international border. The reports shall also provide the details of each import transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the point(s) of entry; (5) the name of the United States transporter(s); (6) the geographic market(s) served; (7) whether the sales are being made on an interruptible or firm basis; and, if applicable, (8) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by ordering Paragraph C is due not later than January 30, 1994, and should cover the period from November 1, 1993, until the end of the fourth calendar quarter, December 31, 1993.

Issued in Washington, D.C., on October 28, 1993.

Anthony J. Como Director Office of Coal & Electricity Office of Fuels Programs Office of Fossil Energy